

COUNTERFEIT/SUSPECT MATERIALS (OCT 2005)

(a) Unless specified otherwise, the supplies and components to be delivered under this Agreement shall be new (not used, reconditioned or repaired) and shall not be of such an age or so deteriorated as to impair their usefulness or safety.

(b) DOE has determined that SAE Grades 5, 8, and 8.2 and ASTM Grade A325 fasteners, identified on the reverse side hereof, cannot be introduced into DOE facilities. Therefore, such fasteners shall not be provided as deliverable end items or incorporated into deliverable end items under this subcontract.

(c) (1) The Fastener Quality Act (the Act) provides that except as provided in Section 5(a)(2) of the Act concerning lots of 50 or fewer fasteners, no "fastener" as defined in the Act and regulations issued thereunder by the Secretary of Commerce shall be supplied to the Company as a deliverable end item or incorporated into deliverable end items unless it is part of a lot that:

(A) Conforms to the standards and specifications to which the manufacturer represents it has been manufactured; and

(B) Has been inspected, tested, and certified as required by Section 5, Subsections (b) and (c) of the Act.

(2) Written certifications required by the Act shall be provided to Company by Seller upon request.

(3) Nothing in this clause shall prohibit Company from requiring in the Agreement the inspection and testing of a greater number of fasteners from a lot than is specified in the applicable standards or specifications to which the manufacturer represents the fasteners to have been manufactured or in the applicable sampling procedures specified by the Secretary of Commerce.

(d)(1) Molded case circuit breakers that cannot be substantiated by Seller as new, or that give an appearance to Company inspectors or electricians of having been used, refurbished, or reconditioned may be rejected by Company on the basis of appearance alone.

(2) Company may obtain an opinion concerning legitimacy of the equipment from the original manufacturer. Such opinion shall be a sufficient basis for rejection of any molded case circuit breaker material provided by Seller. In addition to other rights provided by law or this Agreement, Company may reject the equipment provided by Seller that does not meet the original manufacturer's published performance requirements for the equipment.

(3) (A) If a molded case circuit breaker is not provided by Seller in the original manufacturer's packaging, Seller shall notify Company prior to shipment and shall provide the specific identification and markings of the container(s) to be supplied.

(B) The original manufacturer's markings, date code if used, and labels shall not have been altered or obliterated.

(C) The handle of the molded case circuit breaker shall show the original manufacturer's rating in a "hot stamp" which shall not be subsequently altered or obliterated.

(D) Terminal configuration and hardware shall not have been altered or modified from the original equipment provided by the manufacturer.

(E) All molded case circuit breakers shall be Underwriters' Laboratory (UL) rated, listed, approved, and accordingly labeled.

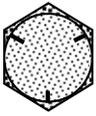
(e) Piping valves and flanges bearing labels that falsely indicate that the items meet recognized ASME or ASTM consensus standards are considered suspect/counterfeit parts.

(f) If suspect/counterfeit parts are furnished under this Agreement, such parts shall be impounded by Company or removed by Seller as directed by Company. Seller shall promptly replace such parts with those acceptable to Company, and Seller shall be liable for all costs relating to impoundment, removal and replacement.

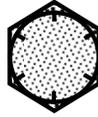
(g) The rights of Company in this clause are in addition to any other rights provided by law or contract.

DOE's Suspect Bolt Headmark List

1. All Grade 5 and Grade 8 fasteners of foreign origin which do not bear any manufacturer's headmarks:



Grade 5



Grade 8

2. Grade 5 fasteners with the following manufacturers' headmarks:



J Jinn Her (TW)



KS Kosaka Kogyo (JP)

3. Grade 8 fasteners with the following manufacturers' headmarks:



A Asahi Mfg (JP)



KS Kosaka Kogyo (JP)



NF Nippon Fasteners (JP)



RT Takai Ltd (JP)



H Hinomoto Metal (JP)



FM Fastener Co (of JP)



M Minamida Sieybo (JP)



KY Kyoei (JP)



MS Minato Kogyo (JP)



J Jinn Her (JP)



E Daiei (JP)



UNY Unytite (JP)



Hollow
Triangle

Infasco Co. (CA TW JP YU)
(sizes greater than 1/2-in dia)

4. Grade 8.2 fasteners with the following headmarks:



KS Kosaka Kogyo (JP)

5. Grade A325 Fasteners (Bennett Denver Target only) with the following headmarks:



Type 1

A325 KS



Type 2

Kosaka Kogyo (JP)



Type 3

6. Key: (CA)-Canada; (JP)-Japan; (TW)-Taiwan; (YU)-Yugoslavia